MEDIA RELEASE

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U.S. DEPARTMENT OF JUSTICE DAVID L. HUBER UNITED STATES ATTORNEY Western District of Kentucky

LOCAL CHIROPRACTOR CHARGED WITH HEALTH CARE FRAUD

- Videotaped patients

David L. Huber, United States Attorney for the Western District of Kentucky, announced today that on February 6, 2007, a federal Grand Jury in Louisville returned a **Superseding Indictment** against **Paul R. Hollern, D.C.**, age 43, of Louisville, Kentucky, in Jefferson County, and charging him with a scheme to commit health care fraud and video taping patients. The original Indictment was filed on May 24, 2006.

According to the indictment, **Hollern** operated a business training school for chiropractors, later organized Uncle Paul Chiropractic Business Training. Through the program, **Hollern** taught new and experienced chiropractors to operate a profitable chiropractic business. As part of the program, **Hollern** taught the business training participants to use sales techniques intended to induce potential patients to accept chiropractic treatment from the chiropractors. The training consisted of various teaching methods, including lectures by **Hollern** and others, and direct patient interaction between the business training participants and patients at **Hollern**'s chiropractic offices. The Indictment alleges **Hollern** taught the business training participants to sell prospective patients a 20 to 30 visit regimen, without regard for each patient's particular medical needs.

The Grand Jury's Indictment also alleges that to induce prospective patients to accept the treatments, **Hollern** taught the student chiropractors to misrepresent to prospective patients the results of x-rays. Specifically, for patients with normal x-rays, **Hollern** taught the business training participants to tell prospective patients that their back pain was caused by the reduced size of an intervertebral foramen in the patient's lower back. The intervertebral foramen at the level shown by **Hollern** naturally appears smaller on the lateral x-ray view, which was the view used by **Hollern** during the sales pitch to prospective patients.

The Superseding Indictment also alleges that **Hollern** illegally videotaped his patients. **Hollern** owned and operated at least three chiropractic offices that were used for the business training described above. At each of the locations, **Hollern** installed, or directed others to install, electronic video and audio recording devices in patient treatment, examination, and consultation rooms. The videotapes were used by **Hollern** and others to critique the sales techniques used by the participants in **Hollern**'s business training program. Upon each participant's graduation from the **Hollern** business training program, **Hollern** distributed the videotapes of the patients to the participants, who removed the videotapes from the office in which the patient was treated.

In the event of a conviction, the maximum potential penalties for **Hollern** are 10 years imprisonment, a \$250,000 fine, and supervised release for a period of 3 years.

The case is being prosecuted by Assistant United States Attorney Eric Long, and it was investigated by the Department of Health & Human Services, Office of Inspector General, the Federal Bureau of Investigation, and the Kentucky Attorney General's Medicaid Fraud and Abuse Control Unit.

Hollern is scheduled to appear for arraignment before the United States Magistrate Judge on February 20, 2007, in Louisville, Kentucky.

The indictment of a person by a Grand Jury is an accusation only and that person is presumed innocent until and unless proven guilty.

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